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30 August 1979

# West Europe Report

(FOUO 48/79)



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## WEST EUROPE REPORT

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COUNTRY SECTION

FRANCE

AIR FRANCE'S 1979-1983 PLANS REVIEWED

Paris AIR & COSMOS in French 30 Jun 79 pp 46-47, 64

[Text] Air France has just released the second edition of its program, following the first part published in 1976. The object was, at that time, to proceed with an initial, overall synthesis of the national enterprise's situation within its environment, and to outline both a coherent general view of the enterprise's actions, as well as an intermediate-range development and management policy. Air France had to delay the publication of this plan, because it was unable to carry out its projected Boeing 737-200 order. The document now released has been prepared at the end of a favorable year (1978 has left Air France with a profit of 197.5 million). But 1979 began with a renewal of the oil crisis and a chaotic fare situation. This requires great flexibility on the part of the transportation sector.

Diagnosis

The plan's introduction analyses Air France's role and position within the national and world context. An analysis of the situation follows. After the results of Air France and those of the competition are compared, the program establishes a diagnosis, where it is recalled that the national company's initial handicap was worsened by the social conflicts of 1974. The situation only began to be corrected in 1976 with compensations granted by the state, but also with improved enterprise productivity (ground and technical flight personnel, rotation of aircraft, maintenance costs). But profitability of the intermediate network remains a point of concern.

For the total system, the improvement noted in 1977 was confirmed in 1978 with a subsonic operation profit of 232.5 million francs. But recent oil increases and the threat of coming scarcity show how vulnerable the enterprise remains, in an extremely unstable environment with the prospect of increased competition from American companies in the North Atlantic, soon to be followed by a few major Asiatic companies. Nevertheless, it remains true that the

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reorganization measures taken in recent years (elimination of the Boeing 707-A, gradual withdrawal of the Caravelle, cancellation of unprofitable lines), together with recently achieved productivity improvements, have contributed to a favorable development of the enterprise's results.

#### Strategy

The second part of the plan defines strategic directions. After a reminder of Air France's vulnerability, the authors point out that "Air France's efforts would be inadequate if not fruitless, if carried out in the setting of a national air transportation policy lacking in coherence and too remote from the worldwide economic context." The plan specifies that strategic orientations are based on the following factors:

A social policy of communication and dialogue concerning the various aspects of company policy, especially with respect to the crucial and related factors of competitiveness and development; this is the only type of policy likely to attract widespread support from personnel.

A fleet policy allowing the enterprise to make use of planes with the highest performance and lowest fuel consumption per transported traffic unit in a given module. On this point, the main characteristics of Air France policy are as follows:

Orientation toward equipment composed of French or Franco-European planes, except for long-distance intercontinental runs where the Boeing-747 seems destined to maintain prolonged exclusivity;

Deliberate adoption of a policy of intensive use of large carriers, both for long runs (Boeing-747) and for intermediate and short runs (Airbus B-2 and Super B-4);

Use of complementary 160-seat to 200-seat planes.

Figures indicated for 1988 would lead to a total fleet of the order of 115 passenger planes (with the probable addition of eight B 727-200's or Jet 2's operated by ACI) and 13 cargo planes. Such development will of course be possible only if the national company's financial recovery is consolidated and confirmed.

A commercial policy using a sophisticated marketing approach, making it possible to offer the services which are best adapted to both the passenger and the freight segments of the market.

Revision of the company's marketing policy calls for an answer to the following question: how to adapt services and development to that portion of clientele whose essential criterion is a cost criterion; in other words, how to render air transportation democratic, dealing with low-fare services in terms of profitability while preserving high income producing traffic,

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composed partly of business traffic, and which accounts for approximately 60 percent of our receipts? With long distance runs, the plan foresees the need for measures beyond the present Air France vacation experiment which is to be tried out in parts of the Boeing-747 economy class with mixed equipment. On a European scale, the formula may be generally extended, or limited to certain specific connections, depending on market studies, the profitability of each line, relations with associated air lines, and possible fare scale adjustments.

A renewed pursuit of company image, adapted to the commercial objectives sought. This is not to belittle the distinction and style which have notably contributed to the success of Air France; but it is important for the company to promote a pleasanter and more humanized image of air travel, with the most widely available range of services; to seek a renewed and warmer atmosphere; to adopt a more receptive and understanding attitude toward patrons' needs and expectations; to manifest the universality of France, which the company represents; and above all, to act so that the public has an image of air travel as a safe, reliable, and punctual means of transportation. Studies are under way to identify the expectations of new patrons, the possible reactions of traditional patrons to these changes, and the potential impact of these innovations on the company's public image.

Finally, a common policy providing maximum coherence between the objectives of the parent company and those of subsidiaries.

#### Operations Plan

The third part of Air France's program contains the operations plan for the 1980-1983 period.

While passenger traffic is scheduled to develop at a rate of 9.3 percent per year, and shipping traffic at 11.3 percent, passenger solicitation will increase only by 8.3 percent, with the spread of the holiday formula expected to provide a new progression of over two points in occupation coefficients.

Technical standardization of the fleet will be particularly responsive; in order to successfully implement the policy of adapting services to the specific requirements of various categories of patrons, commercial utilization will be kept flexible by a tailoring of cabin equipment and necessary variations. For example, the Boeing-747 will be used in five different variations, and there will be three Airbus models, with the addition of the new A-310 model in 1983, while that summer the Air France and ACI 727 fleet will reach 36 ships. The Caravelle will be dropped in 1981 and the 707 by 1983.

The plan devotes a very important section to action programs according to functions; it then presents the range of services proposed by Air France (first class, business class, economy class, Air France vacation), and the distribution of this range of services over the networks, as well as the resulting personnel training policy.

#### Increased Difficulties in Years to Come

The plan next presents projected operations budgets. In view of the Concorde deficit, likely to be permanent as a result of oil price increase, Air France feels that it is imperative to review the terms of the agreements linking it to the state. Concerning subsonic operations, the plan outlines the following major directions:

In the present state of air transportation, it is still possible to assume rapid market expansion, as long as dynamic commercial action can be supported by efficient service policy. Completion of fleet modernization and increased productivity are essential factors in ensuring intermediate range development on solid foundations.

From 1977 to 1983, the gross operations surplus (gross margin with coverage of investments cost) for subsonic activity will go from 940 million francs to 2,450 francs or a yearly growth rate of 17.3 percent, against which there is an equally rapid increase of financial charges and depreciation allowances (from 898 to 2,190 million francs or 16 percent per year) in connection with equipment activities. On the other hand it should be noted that the years 1980 to 1982 will be affected by the cost of the Roissy 2 installation and by adjustments made in the surrounding network structure to compensate the lack of 100-seat planes, while expenses in connection with the presence of new planes will increase noticeably.

Therefore the next three years look more difficult, a priori, than the preceding ones. The company's economic situation will not become less vulnerable until the end of the plan, when the new terminal is fully in operation and when the spread of the Airbus A-310, by then acquired by most neighboring countries, enables Air France to compete on equal terms on its surrounding network. Oil prices remain as the major unknown factor, with its impact on the ability of western economies to maintain steady growth, as well as its impact on the relative cost of air transportation.

#### Over 14 Billion in Investments

Under these conditions, total operations budgets will still balance with a surplus, but with a net profit which, dropping from 120 million francs in 1979 to 90 million francs in 1980 and 80 million francs in 1981, will then improve, reaching 160 million francs in 1982 and 210 million francs in 1983.

From 1979 to 1983, Air France must finance large investments to purchase 14 Boeing-747's, 17 Airbuses, and 11 Boeing-727's, thus increasing capacity and renewing the obsolete Caravelle and Boeing-707 fleets, as well as completing the Roissy 2 terminal installation. In addition to the 11,615 million franc requirements represented by these investments, there will be loan reimbursements (2,280 million francs) and miscellaneous expenses bringing investment requirements to a total of 14,335 million francs, 47 percent of which will be self-financed, 5.8 percent financed through



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capital investment, 47.5 percent through increased net debt, and 1.5 percent through various sources. The ratio of long term debts to company funds will go from 2.9 percent in 1979 to 3.06 percent at the end of 1983.

Completion of First Phase

In the plan's conclusion, Air France notes that an initial phase is ending: it has been marked by productivity efforts, accelerated fleet modernization, network reorganization, an efficient commercial policy of capacity booking and receipts, and settlement of problems with the state. It has seen the addition of the Concorde to the line. In 1978 this period culminated in the national company's return to competitiveness in long distance runs; in still very insufficient improvement of intermediate run results; in the enterprise's financial recovery, and in vigorous development which has further improved Air France's first-rank status in international air transportation. The same efforts were made with comparable results where subsidiaries are concerned.

Beginning of New Phase

The new phase of the 1980's is beginning, filled with difficulties as well as promise. It has already started with increased competition, due in particular to the rise of companies from developing countries, and to the regulation of air transportation. The coming decade will also bring in the age of mass transportation: masses of business travellers from directors to specialized workers, and the masses of all those who wish to travel for personal pleasure and convenience, for holidays, tourism, and family travel, and who expect low fares above all.

For this new challenge, Air France has chosen to face the entire market, by pursuing technical and commercial efficiency; by adapting its network which, in the absence of lesser modules, will more than ever be oriented toward development of essential axes, avoiding any dispersion to marginal or artificial destinations; and by resolute orientation of the fleet to the most modern and best performing large carriers, which are the ideal vehicles for mass transportation and the only ones likely to contribute to lower costs, by energetic innovation aimed at producing the services which are best suited to the new markets beginning to emerge.

It is this orientation, "highly consonant with the national interest and the company's ambitions," which characterizes Air France's 1980-1983 program.

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COUNTRY SECTION

FRANCE

FIRST NUCLEAR ATTACK SUBMARINE LAUNCHED

Paris AIR & COSMOS in French 14 Jul '79 p 43

[Article by Pierre Langereux]

[Text] The launching of the "Provence," the first French nuclear attack submarine, took place without official ceremonies at the Cherbourg arsenal on 7 July instead of 25 May. This six week delay was due to personnel strikes which took place during that period (see AIR & COSMOS No 768).

The Provence is the prototype of the new SNA-72 French nuclear attack submarines whose construction was decided at a session of the Defense Council in June 1975, and whose first unit was ordered in March 1976. This first SNA will be officially ocean tested during the first quarter of 1981 (instead of October 1980) in order to go into active service in early 1982. After the tests, it will go to Toulon, where, together with the two other ships of this type, it will form the first French nuclear attack submarine squadron (as part of the Mediterranean squadron). Two other SNA's will follow: the "Bretagne," already under construction in Cherbourg, and the "Bourgogne" which will be docked in place of the Provence. The 4th Military Programming Law (1977-1982) provides for building only five SNA's. This first series of French SNA's will be voluntarily limited to five units because a second generation SNA design is scheduled by 1985, to replace the Diesel attack submarines in the early 1990's. It should be remembered that England plans to have 12 SNA's, the US plans on 93, and the USSR on 86, all of which will have heavier tonnage than the French ships whose size and performance were limited, partly for budgetary considerations.

The French first generation SNA's, led by the Provence, are vessels of 2,670 tons submerged and 2,385 tons surfaced, measuring 72.1 m in length, 7.6 m in width, and 6.4 m in height. They are equipped with 48 MW thermal nuclear engines, with an auxiliary diesel unit. They are very inconspicuous and can dive to a depth of over 300 m, but their submerged speed is limited to only 25 knots (whereas most foreign SNA's reach 30 knots or more). Initially, the French SNA's will have the same weapons system as the 1,200 ton diesel "Agosta" type attack submarines: four 533 guided torpedo launchers,

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with 14 torpedoes aboard. Later, they will be equipped with the new, 50 km range Exocet SM 39 missiles which are presently being perfected by the Aerospatiale. These environment-adaptable underwater/surface missiles will also equip the French missile-launch nuclear submarines (SNLE's).

The SNA-72's have 66-man crews who will serve 135-day maximum sea patrols. The crews will be rotated so that the SNA's can patrol for 180 days. SNA missions are as follows:

Security and operational or technical information gathering missions (search and contact maintenance with vessels declared as threatening, beyond our maritime zones);

Observation and deterrence missions on the high seas (which may lead to offensive action against surface vessels and unfriendly submarines);

Support missions for naval forces;

"Special" missions (mine planting, boarding or landing of agents), which require great discretion;

Peacetime missions (training above missions, crew training including SNLE crews, anti-submarine warfare training for aero-naval forces).

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COUNTRY SECTION

FRANCE

THREE MIRAGE F-1 SQUADRONS FOR 12TH FIGHTER WING

Paris AIR & COSMOS in French 30 Jun 79 p 45

[Text] Last week, the 19th Tiger Meet was held at Air Base 103 in Cambrai, commanded for the past year by Col Olivier Brylinski. This is an annual event which, since 1961, has brought together all the air force squadrons of the western countries whose emblem is a Tiger; on this occasion, the pilots and mechanics of these squadrons participate jointly in a fruitful operational activity which contributes to reaffirming their friendship.

This year, the Tiger Meet participants were hosted by the Cambresis 1/12 Squadron (Commander Cocault) of the 12th Fighter Wing (Lieutenant-Colonel Pages), equipped with Mirage F-1's. Participating were the Super Etendard of the 11th Fleet of the Aeronavale; Greek, Italian, and Belgian F-104's; German RF-4's and RF-104's; Portuguese and German G-91's; Norwegian F-5's; and Royal Air Force Puma and Royal Navy Sea King helicopters.

This international event included an aerial meet featuring the participation of the Patrouille de France. Various types of planes used by the Air Force gathered for this meet at the Cambrai air base: Cap-10 and Cap-20, T-33, Jaguar, Mirage III-C, Mirage III-E, and of course the Mirage F-1.

The closing day of the 19th Tiger Meet saw the 25th anniversary celebration of the Cornouaille Squadron (112,000 flight hours), in the presence of Air Corps General Philippe Archangeaud, Air Defense commander. On Saturday 23 June, Commander Laporte of the Cornouaille Squadron also completed his 1000 flight hours with the Mirage F-1, the second Air Force pilot to do so.

On 1 June 1979, a decision of the Air Force Chief of Staff reassigned the original 3/12 designation to the Cornouaille Squadron (which had been

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designated 2/12 since the dissolution of the Picardie Squadron). The decision also provides for the establishment, in 1980, of a third Mirage F-1 squadron, to be called the Picardie 2/12 Fighter Squadron, within the 12th Fighter Wing.

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**COUNTRY SECTION**

**FRANCE**

**TECHNICAL COMPETENCE OF NAVY DESCRIBED**

Paris ARMEES D'AUJOURD'HUI in French Jun 79 pp 27-28

[Article by Lt Com Guy de Chauliac: "Specialties of Fleet Crews"]

[Text] Lt Com de Chauliac entered the naval academy in 1960 and commanded a group of P.757-P.760 vessels in 1967. Earning his detection certificate in 1968, he became detection officer of the fast escort vessel Bearnais, and then the helicopter-carrier Jeanne d'Arc. Later he commanded the patrol boat Pampolaise. After graduating from the Higher Naval War School, he accepted his present post as head of the personnel section of the organizational office of the naval general staff planning division.

"Let each do his job and the cows will be well guarded," a popular proverb says. Transferred from the level of cattle to the bridge of a military vessel, this adage retains its full value and its truth is borne out with every passing day as modern techniques develop.

But the need for crew specialization has made itself felt on shipboard since the most ancient times, and the sailing crews of antiquity already had many specialties in their midst. And where we are concerned, it can be said that the specialties are as ancient as the navy itself

**A Veritable Microcosm**

Since the beginning then, the differentiation of specialties has developed on the basis of the tasks to be carried out and the equipment to be maintained or serviced on board combat vessels. The most obvious characteristic of a war ship has always been that in itself it constitutes a microcosm, serving simultaneously as a combat tool, a vehicle for transport and the framework for daily life, which means that all of the capabilities necessary

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for the execution of the various functions which come into its operation must be found within the crew, and this also means that, space being limited on board ship and since each must have a combat station, that in a given individual there must coexist the capacity to operate equipment and to maintain and repair it. The burden of these requirements leads necessarily to the fact that for each individual, the area in which they operate is limited, and this is doubtless why the sailor, still more than other military personnel, needs to be a specialist. Born of the necessities of life on board ship, specialization has taken on a new aspect with the development of naval aviation, which has different needs. For aircraft, in fact, the maintenance, equipment repair, and crew support operations are basically carried out at times other than when the plane is engaged in a mission and by personnel different from that to which the mission is entrusted. Maintenance and use, unlike the case with warships, cannot be simultaneous and are no longer in the hands of the same people. The complexity of the tasks and equipment, moreover, demand narrow specialization, even if of different types.

**View of the Complex of Specialty**

The current list of specialties, with a few exceptions, clearly reflects these origins, in the land units as well. Those specialties developed elsewhere than on ships or aircraft are in fact rare and it has always been implicitly presumed that the range of capabilities necessary to man combat means fully cover the needs pertaining to implementation of the tasks on land.

A view of the complex of specialties in which fleet crews are trained is given in the adjacent diagram which represents personnel proportionally by category. It does not take into account the stationary personnel nor the contingents with which this article does not deal, their situation being rather different.

There can be no question of providing a description of the tasks involved in each of these specialties here, but their names are rather explicit. It should, however, be made clear that like any diagram, that offered here is in fact a simplification of the real situation. In fact, the growing sophistication of equipment and the multiplication of tasks have lead to the development of a very large number of special qualifications which, added to the original specialties, now constitute veritable subspecialties in some cases. This trend is not likely to weaken in the years to come, despite the reorganization efforts which have been undertaken to prevent the distortion of the system in the direction of paralyzing complexity. As the situation appears today, it still allows the general staff and the personnel in command, where each is concerned, to administer the troops and personnel without too much difficulty. But the time had doubtless come when the development of computer technology made it possible for the navy to deal rationally and methodically with the problems of use and development of a complex the structure of which had previously been mainly the result of gradual and sometimes tardy adaptation to new situations.

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Prudence, however, continues to prevail where reform is concerned. The structure the specialties make up is the result of a slow and pragmatic effort, but one tailored to the exact measures of the needs, its adaptation being endorsed by experience. Before undertaking its alteration, it is necessary to obtain the largest possible number of guarantees as to the consistency and suitability of the future structure.

Training by the Branch

The large number of occupations in which sailors engage creates a problem in their training. The navy has chosen to provide this training itself, up to the highest level. This choice, the justification of which is not obvious, has to do with the specificity of the maritime and military environment in which the capabilities learned by these individuals must be used. This choice moreover dates back a long time, and became necessary following experiments in other directions which proved relatively unproductive. In 1856, Adm Hamelin, the naval minister, wrote: "The composition of the fleet crews allows occupational specialization, but only specialization by sailors. The experiment with different bodies contributing to the training of crews, it seems to me, should not be repeated." This view of things has not been challenged since, and it does not appear that it should be under the present circumstances, although of course there is no assurance of its eternal validity.

The major stages in this training, of which there are three, lead to the award of the elementary certificate, the certificate of technical aptitude and the higher certificate. Among these stages others can be interspersed for the purpose of acquiring a particular skill, leading to the award of a certificate or endorsement thereof. The following chart shows the path usually pursued by an individual in the course of a full career in the navy.

It will be seen that this diagram shows the concept of the "fourth level" with a question mark. The need has in fact developed in a number of specialties for a supplementary training stage, whether it be for a more profound specialization and raising the level of the technician's knowledge or, on the contrary, broadening the qualifications of the individual to enable him to assume responsibility for a larger whole, for example, a weapons system. The form to be given this new phase has not yet been fully defined, but the existence thereof can already be seen in fact with the recent establishment of the "petty officer first class for systems" certificates for a number of specialties.

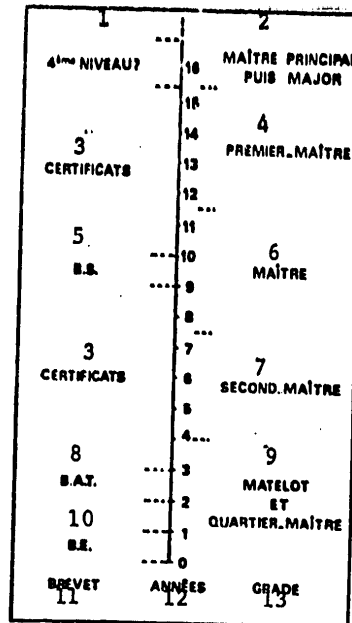
Employment and Administration

One can readily imagine, in the light of what has just been said, that the employment and administration of naval personnel is a complex business. In order to clarify matters, it has been necessary to consider the specialties



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from two different points of view: that of the equipment and administrative levels, on the one hand, and that of the advancement level, on the other.



Key:

- |  |                                      |
|--|--------------------------------------|
| 1. 4th level?                                  | 8. Certificate of technical aptitude |
| 2. Senior chief petty officer, then vice chief | 9. Seaman and leading seaman         |
| 3. Certificates                                | 10. Elementary certificate           |
| 4. Chief petty officer                         | 11. Certificate                      |
| 5. Higher certificate                          | 12. Years                            |
| 6. Petty officer first class                   | 13. Rank                             |
| 7. Petty officer second class                  |                                      |

The equipment level specialties are identical and the one serves to describe the positions to be filled and the other to select individuals for the purpose. Putting all the specialties on the equipment level together, we obtain the total of needs to be met in the administrative specialties.

The advancement specialty, which derives in fact from the first two, defines the personnel within which advancement occurs. The total personnel must be a large enough and sufficiently characteristic body in order to be able

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to make valid comparisons between individuals, which is necessary to ensure equitable advancements on the basis of the merit and the seniority of each individual. It is not always accurate enough to define the specific requirements of a given post and the qualifications necessary to fill it. In such a case, certain certificates or endorsements are needed as a supplement and this gives rise to numerous administrative and equipment level specialties. For example, the advancement specialty for "electricians" alone gives rise to two administrative (and equipment level) specialties: "electricians" and "gyrocompass electricians."

What About the Future?

After a glance at the situation regarding fleet crew specialties in the past and present, one might wish to engage in speculation about the future. The current system, which is still closely linked with its old roots, relies in large part on the aptitude of each individual to carry out his functions at sea as well as on land, and on a complex of specialties deriving directly from the tasks to be carried out on board a warship. The development as it is occurring seems likely to lead to a major change, influenced in particular by a certain number of new elements. The increasing automation of equipment and weapons systems carried by these vessels points toward the planning of a reduction in crews, with the lodging space thus released making it possible to increase the amount of equipment and thus military efficiency. The concern for the best possible management of the use of vessels with a view in particular to carrying out the multiplied number of peacetime missions dictates that they should spend as many days as possible at sea, with a resultant reduction in the time devoted to the most urgent maintenance, with the counterpart that this must be done with extreme efficiency and without delay. This will probably not be possible except at the cost of a clearer division of the capacities of the operators and the technicians, and there will probably be movement in the direction of a partial extension to the rest of the navy of the situation already existing in naval aviation, that is to say a distinction between two categories of personnel, the navigation crews and the maintenance crews which remain on the ground. Both remain and will remain specialists, since the complexity of the tactics and the equipment so requires, but one can clearly see that the content of the specialties, linked more closely in the future either to the operational or the maintenance aspect, could well gradually become rather different from what it is today. It is the nature of this difference which, without a doubt, constitutes the new factor.

We would wager that the navy, which has been able to develop from propulsion by oars to jet propulsion, passing through the sailing, steam, diesel and gasoline engine phases, will be able to adapt to a development which will

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have to maintain, whatever happens, the capacity of our vessels to carry out their primary mission--remaining at sea for long periods, often far from their bases, in a combat-ready condition.

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COUNTRY SECTION

FRANCE

DIVISION ORDNANCE COMMANDER EXPLAINS FUNCTIONS

Paris ARMEES D'AUJOURD'HUI in French Jun 79 pp 34-35

[Article by Col Claude Chabaux: "The Division Ordnance Commander"]

[Text] Col Claude Chabaux entered Saint-Cyr in 1951 (Marshal de Lattre graduating class), and began his career in the artillery. He has served in ordnance since 1964. He has served as assistant technical director for the ordnance office of the Sixth Military Region (RM) director of the Metz ERM [Regional Ordnance Establishment], and then ordnance commander of the Fourth Division. Since 1977, he has been in command of ordnance for the EOCA [organic army corps elements] of the First Army Corps. He has the higher military education certificate (81st graduating class) and the technical certificate.

For the land army, as for any mechanized branch, maintenance of equipment in proper condition, along with personnel training, is one of the basic parameters of the operational capacity of the troops. A true combat action, this is guaranteed jointly by the regimental bodies, with regard to maintenance, and by the ordnance bodies, where support, that is to say major repairs and the supply of exchange parts, is involved.

The ordnance branch, which serves at the same time as a supply service, thus assumes a preponderant role in the logistics of war materiel, to which purpose it puts all its means to work, whether it be infrastructure establishments or exclusively military formation. However, unity of command and responsibility when it comes to maintenance is made possible thanks to the assignment of the support means they require to large units--logistic divisions and brigades. These ordnance bodies, while retaining operational relations with the "logistic chain," come under the authority of the inter-branch command.

The 1977 division thus includes a command unit, the "division ordnance command," and a support formation, the repair group (GRDB [armored division repair group] or GRDI [infantry division repair group]).

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Why a Division Ordnance Command?

This in fact is a question one can ask on seeing that the 77th division has but a single ordnance group, instead of the four companies which the 67th division has, justifying the existence at the division PC [command post] of a district ordnance staff (the counterpart of the present ordnance command).

In fact, if one were to adhere to the traditional role which has fallen to the command of a support branch in operations, i.e. advising the GU [large unit] commander on the deployment and directing the use of the means of the branch, one could envisage entrusting this role to the commander of the repair group.

But the responsibilities of the COMat (ordnance commander) are not so limited, and they are exercised in peacetime as well. A specialist in maintenance, because he belongs to a branch the mission of which is maintenance, and a member of the division PC, he is very often assigned supplementary responsibilities by the general in command of the division, which he no longer assumes in that capacity, but by delegation. Thus his field of action exceeds the framework of support to include in fact the whole of the maintenance operation, including repairs. This role, close to that of a "maintenance assistant," is hard to reconcile with the functions of the commander of an executory group.

Triple Function of the Division Ordnance Commander

The actual responsibilities of the COMat cannot obviously be classified precisely, much less exhaustively, because they are the result in large part of assignments given by each division commander. However, they are to some extent established by tradition and it is possible to group them under three major categories:

- an "assistance and advisory" function;
- a "technical direction of maintenance" function; and
- a "command" function.

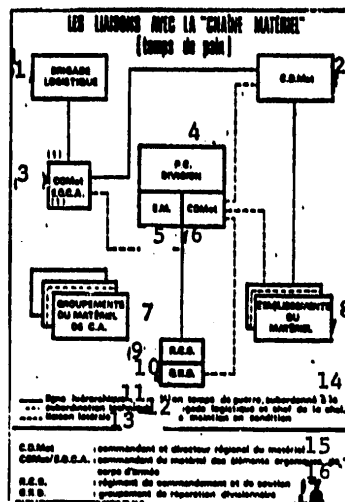
The Assistance and Advisory Function

Under this term, borrowed from the management vocabulary, one can include the role and activities in which the COMat engages as a technical adviser in the realm of maintaining equipment in condition.

In relation to the general in command of the division and his general staff, he plays the role of the true maintenance assistant. For example, he proposes all the steps he deems useful concerning the organization of regimental maintenance, the urgent needs and priorities to be given them in connection with repairs and supply.

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## Links with the "Ordnance Chain" in Peacetime



## Key:

- |   |  |
|---|--|
| 1. Logistic brigade                                   | 13. Lateral liason   |
| 2. Regional ordnance commander and director           | 14. Subordinate in wartime to the logistic brigade and head of the maintenance chain |
| 3. Ordnance commander for organic army corps elements | 15. Regional ordnance commander and director   |
| 4. Division command post                              | 16. Ordnance commander of organic army corps elements                                |
| 5. General staff                                      | 17. Command and support regiment   |
| 6. Ordnance commander                                 | 18. Division repair group  |
| 7. Army corps ordnance groups                         |  |
| 8. Ordnance establishments                            |  |
| 9. Command and support regiment                       |  |
| 10. Division repair group                             |  |
| 11. Hierarchical line                                 |  |
| 12. Technical subordination                           |  |

On maneuvers and during operations, he participates in the planning of the logistic maneuvers of the division and in particular, the drafting of ordnance orders. Familiar with the means, resources and potential of the ordnance bodies outside the division--EOCA and establishments--he is in a position, in case of need, in peacetime as well as in wartime, to suggest the requisitions for reinforcement to be submitted to the army corps. Where the whole of the maintenance operation is concerned, he keeps himself informed of the state and potential of the materiel of the division, and proposes measures needed to improve the situation in case of need.

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In relation to the regimental corps, the ordnance commander is the permanent adviser and he is generally heeded not only by the corps commanders, but also by the personnel of the technical services with whom he is in touch in the course of frequent visits. Knowing of their problems, he may even feel the need to organize information, or indeed training, courses for them, with the assistance of the repair group.

**The Technical Direction of Maintenance Function**

This involves all the responsibilities and activities pertaining to the utilization of the equipment. This function is of primary importance because it has to do in fact with the search for the best technical condition for materiel, and thus in the final analysis the operational capacity of the division.

In the realm of support, which on the technical level comes under the jurisdiction of the ordnance commander of the army corps, the COMat should initiate and supervise the execution of the mission. In particular, on the basis of the orders of the general commanding the division and within the framework of the army corps technical directives, he specifies for the group commander the targets to be reached. His supervisory action should enable him to ensure the proper quality of support and, in peacetime, respect for technical procedures and economic imperatives.

In addition, he provides liaison with the ordnance bodies, in particular the infrastructure establishments which strengthen or supplement the activities of the repair group.

In the repair sector, his activities are carried out on the authority of the division commander. It may involve either drafting technical directives for the regiments or scheduled checks with a view to ensuring the proper functioning of the technical units of the corps.

He may have reason to propose corrective measures if such are deemed necessary to the corps commander or the general in command of the division.

**The Command Function**

The division repair group, a basic unit in the command and support regiment (RCS) does not come under the authority of the ordnance commander, to whom it is subordinate only in the technical sector. However, the COMat, as representative of the ordnance branch, plays an important role both in relation to the corps commander and the division commander where the administration of personnel, their guidance and technical training, are concerned. Thus without infringing on the authority of the commander of the RCS, who is responsible for the administration of personnel, he participates in the classification of officers from the point of view of their technical qualification. Similarly, he participates in the work of promoting commissioned and noncommissioned officers.

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In addition, he issues opinions on the applications for candidacy on the various technical training levels.

Thus the actual responsibilities of the COMat considerably exceed the framework of support as such as and his role is not limited to that of a mere representative of his branch.

Situated on a level synthesizing technology and deployment, the director of maintenance and authority responsible for the rational and efficient use of the technical means of a large unit as a whole, the ordnance commander is, within the division PC, one of the craftsmen of the operational potential of the division and a guarantor of it.

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COUNTRY SECTION

FRANCE

ARMORED DIVISION TACTICS EXPLAINED

Paris ARMEES D'AUJOURD'HUI in French Jun 79 pp 68-69

[Article by Lt Col Clement de la Ruelle: "The Tank Regiment in the Armored Division"]

[Text] A Saint-Cyr graduate in the French Union graduating class (1952-54) who obtained his BEMS [certificate of higher military studies] in 1971, Lt Col Clement de la Ruelle commands the Second Calvary Regiment, the tank regiment of the Fourth Armored Division. As a subordinate officer, he commanded various types of squadrons: infantry, AMX 13 tanks and SS 11 tanks. Made a field officer in 1969, he served successively in a reconnaissance regiment, with the EM [general staff] of the Seventh Military Region, and at the Armored Weaponry and Cavalry School of Instruction, where he was in charge of tactical courses and studies from 1976 to 1978.

In the current context, the land threat to frontiers is characterized by a crushing numerical superiority for the adversary (three to five against one), the omnipresence of tanks and other armored vehicles capable of waging mobile warfare using nuclear and chemical weaponry, and very substantial classic fire support (artillery and aircraft).

The two tank regiments, the most powerful elements in the armored division, are used to destroy the armored forces of the enemy and, whenever possible, to ensure the bold exploitation in depth of the weaknesses found in the enemy deployment or created by an attack with or without nuclear fire.

The regiment has combat, command, mobility assistance and support vehicles which provide it with considerable fire power, very great mobility and remarkable flexibility (see Figure No 1.).

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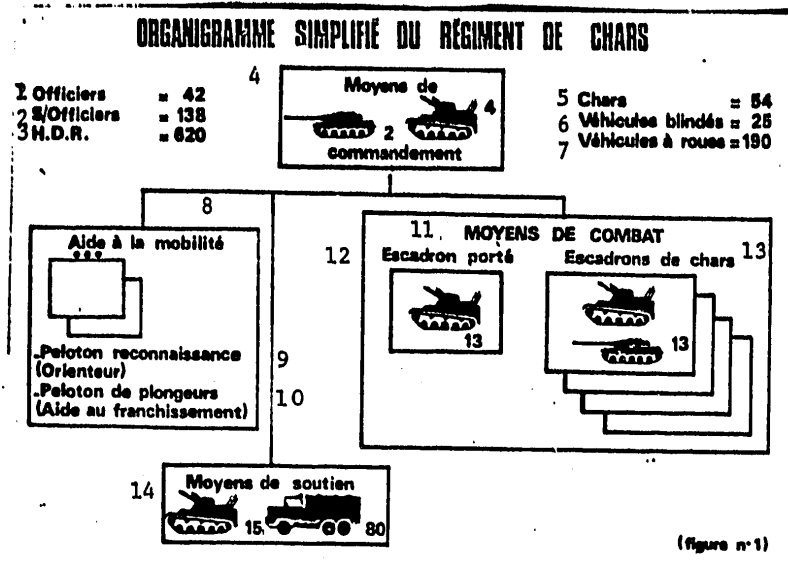


Figure 1. Simplified Organic Chart of a Tank Regiment

Key:

- |                             |  |
|-----------------------------|--|
| 1. Commissioned officers    | 8. Aids to mobility                      |
| 2. Noncommissioned officers | 9. Reconnaissance platoon (guidance)     |
| 3. Soldiers                 | 10. Divers platoon (to aid in crossings) |
| 4. Command vehicles         | 11. Combat vehicles                      |
| 5. Tanks                    | 12. Transport squadrons                  |
| 6. Armored vehicles         | 13. Tank squadrons                       |
| 7. Wheeled vehicles         | 14. Support vehicles                     |

Virtues Include Fire Power, Mobility and Flexibility

Thanks to four tank squadrons each made up of 13 tanks organized in four 3-tank platoons, the regiment has considerable antitank and antipersonnel fire power. The AMX 30 tank is characterized by the efficiency of its main weapon (105 mm gun firing a hollow charge shell which can penetrate the armored vehicles in use with great accuracy at a range of 2500 meters), and the secondary weapon (automatic 20 mm gun, now being put to general use) ensuring the anti-aircraft defense capacity of the units.

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This power is strengthened by the transport squadron made up of 13 VTT AMX 10 vehicles equipped with 20 mm automatic guns which can be used against targets on land or in the air. This modern equipment moves at the same speed as the tanks.

The quaternary structure of the squadron which transports and disembarks a hundred soldiers well equipped to combat tanks and personnel enables the colonel to use them along with squadrons, or in groups, to hold a site or to break through relatively major resistance.

Mobility is provided by the performance on all terrain of the AMX 30 and the VTT AMX 10 tanks, the equipment they carry making it possible to pursue the battle at night at a slower rate and with a more limited potential than in the daytime. They have a capacity to penetrate certain sections of terrain without assistance; they have a long operational range (600 kilometers); and they are armored against small caliber projectiles, shell bursts and the effects of NBC [chemical and biological] weapons.

In addition to the intrinsic capacities of these vehicles the regiment has two specialized platoons to facilitate its movement:

- a reconnaissance platoon for guidance, equipped with jeeps which although relatively unprotected are well adapted to the tasks of reconnaissance for the purpose of planning routes and guiding friendly elements; and
- a platoon of divers to aid in crossings, with the mission of reconnoitering the banks and bottom of water courses and to deal with them. This platoon enables the tanks to make use of their capacity to ford such obstacles or to submerge.

Finally, the flexibility is provided by the quaternary structure of the regiment and squadrons as well as the wealth of command vehicles.

The four tank squadrons, whether reinforced or not by vehicle borne troops, enables the colonel to change direction, attitude and formation, while remaining on the alert to adapt to the combat developments or exploit any favorable opportunity.

The extreme wealth of command vehicles is another positive element. Thanks to the AMX 10's and the command tanks, the colonel, like the captains, can direct the battle from the vanguard. The commanders on all levels can follow immediately behind the vanguard echelon to get a sense of the situation and turn it to advantage speedily.

There Are Weaknesses As Well

Despite their virtues, these vehicles do not enable the regiment to do everything. It has limited capacity in the following ways:

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- The number of foot soldiers is inadequate to open a pass for the tanks on very difficult terrain or to accompany them in built-up areas;
- There is a lack of short-range weapons to supplement the fire power of the long-range weapons on the tanks and VTT's;
- The limited antiaircraft capacity for self-defense makes the execution of a mission in open terrain in daylight against an enemy which has air superiority difficult, without specific coverage;
- Antitank weapons on the flank enjoy a temporary advantage which, as we will see shortly, makes a proper method of combat necessary.

In fact, the era of the heavy tank (for example the French B1b used in 1940), able to advance because it is impervious to the majority of contemporary antitank weapons, is past, at least for the time being.

- Finally, it should be stressed that the efficiency of the regiment depends on the functioning of the logistic chain, in particular with regard to the supply of replacement fuel and ammunition, once the initial supplies have been used;

- Also, the success of a mission against a numerous, mobile and powerful armored enemy requires that we derive the maximum benefit from the strength factors of the regiment and that we offset its shortcomings as well as possible.

**Finding the Weak Point To Exploit**

Fire power makes it possible to destroy the enemy at 2,000 meters, and mobility and flexibility enable us to utilize the terrain to escape attack and to concentrate or scatter fire rapidly.

Provided logistics and the equipment follow, in other words that maintenance is efficiently carried out, we have all that is necessary in order "to maneuver, that is to say to provide fire in the right place at the proper time."

Now maneuvering is necessary. In fact, against a powerful, more numerous and mobile enemy, it is necessary to seek out economical methods of combat and to achieve numerical equality or superiority locally. "Our style can thus not be that of a boxer, but rather that of the judo fighter who seeks out the weak point in his adversary in order to throw him off balance and vanquish him."

Whenever possible, we should avoid attacking the adversary frontally, for this means attacking his strong point, in the direction in which he is ready instantly to maneuver and to bring all his forces to bear. We should

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on the contrary systematically seek out the enemy's weak point, never forgetting that the goal to be achieved is the destruction of his armored forces which can be achieved directly by putting his tanks and auxiliary means out of combat, or indirectly, whenever possible, by attacking his "underbelly" in order to destroy the command and support vehicles and thus create temporary disorganization to facilitate the elimination of the tanks (see Figure 2).

This means that we must seize every opportunity to infiltrate in order to block, bypass and encompass resistance and destroy it, by wheeling on the enemy's flank or rear.

We should regard the frequent variation of the axes of action, if not waging the battle in two different directions, as normal, since the terrain in itself is not the objective (although it remains of interest as an aid to maneuvering for taking a position, firing, proceeding with the advance, etc.), and nothing is more important than focusing the weaponry on the enemy's weak point (Figure 3).

The achievement of such a method of action demands bold commanders who will dare to penetrate the enemy's protective deployment to exploit the error of the adversary in depth, or perhaps turn it to advantage, in order to engage on an offensive basis in a generally defensive environment.

This style of action means taking risks but they are not a one-way street. If our flank is not protected, that of the enemy also will be exposed and the side which reacts first will be the winner.

**Intelligence and Trickery**

Moreover, these risks can be reduced by seeking opportunities for surprise and intelligence.

This first end is sought by a complex of measures, some of them on the regimental level: radio silence prior to engagement, discretion in taking up positions, and speedy movement, while others are on the division level: choice of the proper moment and direction for engagement, cover action or diversion. Surprise always entails a certain amount of trickery.

The second factor is essential to us as well. What is the weak point of the enemy prior to engagement? What are the free intervals? What threats develop in the course of action? All of these are questions of interest to us and to which the squadron, adjacent and division commanders must respond.

Finally, as we have seen, the tank regiment cannot do everything alone. It must thus wage battle in cooperation with other units.

In fact, because of the increase in the range and the number of antitank weapons, tanks advancing alone or attempting to penetrate an organized

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deployment without the support and assistance of other units are doomed to destruction.

We must then make use of the following, among other elements:

- the action of the mechanized regiments which prepare for, facilitate and follow up our engagements;
- fire power provided by the artillery, and possibly an antitank company, the combat helicopter regiments and the air force; and
- the support of the engineering and ordnance branches.

The heroic military charge had gone out of date by 1870. It is more an acronistic now. Furthermore, it is useless with guns which have a range of 2500 meters. Maneuvering, maneuvering again, always maneuvering in order to fire and thus engaging in combat resembling naval battles--this is the fighting style which must be adopted by armored regiments in order to destroy the enemy tanks.

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COUNTRY SECTION

FRANCE

BRIEFS

ARIANE MOTORS TESTED--On 3 July, the SEP (European Propulsion Company) successfully conducted the second test of the Ariane launcher's third stage propulsion system, in flight pattern, including the first simulation of the ballistic phase. The cryogenic motor was in operation for 569 s, which is nominal duration. [Text] [Paris AIR & COSMOS in French 14 Jul 79 p 43] 11023

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COUNTRY SECTION

NETHERLANDS

ROTTERDAM 'SPOT' OIL MARKET DOES THRIVING BUSINESS

Hamburg STERN in German 21 Jun 79 pp 130-132

[Article by Herbert Uniewski: "The Oil Roulette of Rotterdam--How Dealers, Brokers and Speculators Haggle With Gasoline and Fuel Oil, Making Millions or Going Bankrupt"]

[Text] If the telephone rings after 1330 on a Friday afternoon, crude oil dealer Arie Roza from Gorinchem will no longer pick up the receiver. "If someone wants to order fuel oil or gasoline as late as that, he needs it and will call again on Monday; and then he will also be prepared to pay a few dollars more."

Arie Roza is a sly fox in the oil business. He has a firm employing 50 people. In his yard stand four tanks with a capacity of 3 million liters each. His main customers are fuel oil dealers in the FRG. The business is going so well that Roza can afford the long weekend. "Fridays we generally go bowling."

In his mid-fifties, he is one of about a hundred dealers, telephone brokers and speculators who, together with the oil multies, constitute the famous-infamous "Rotterdam market." It is here that those 5 percent of free ("spot") oil are traded which do not come on the market at contractually fixed, and comparatively still low, OPEC prices but, as if at an auction, change owners according to the highest bid. The hundred slick oil dealers in Rotterdam have been under suspicion of ripping off the consumers in the industrialized countries by driving up prices ever since the revolution in Iran triggered a chain reaction:

--U.S. refineries, technologically geared to processing low-sulfur crude oil from Iranian sources, all of a sudden were no longer able to work to full capacity. Gasoline became short in supply, and the Americans had to buy the lacking quantities on the free market in Rotterdam.

--Israel and South Africa, subjected to a total supply boycott by Ayatollah Khomeyni and the other OPEC countries, likewise had to resort to purchasing "free" oil supplies, showing up in Rotterdam as customers ready to pay almost any price.



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--President Carter and his energy secretary, Schlesinger, by amateurish politics made the poor oil situation worse. They announced that in several stages between June 1979 and August 1981 they would free oil prices, held down artificially in the United States. The inevitable result: Oil companies, oil dealers and gas station depots held back inexpensively purchased fuel in order to wait for higher prices and profits. Supplies slowed down.

All this catapulted the price in Rotterdam within a few weeks from 20 dollars a barrel (159 liters) to an unprecedented 38 dollars a barrel. (The current OPEC price for standard "Arabian light" is 14.55 dollars.) British oil expert Anthony Sampson, author of a book about the oil multinationals ("The Seven Sisters") found out that even companies like Texaco, Mobil and Shell have bought free "spot supplies" for more than 30 dollars a barrel.

To these giants, who get most of their oil at OPEC prices, it does not make any difference if they pay twice as much for smaller shipments in Rotterdam; they can then counter the accusation of overcharging their customers for gasoline and fuel oil by pointing to the high purchase prices in Rotterdam. In actual fact, the Rotterdam prices, however, do not matter to the multinationals in the overall calculation.

Having suffered losses during the oil glut in the years 1973 to 1977, the oil companies now profit an average of 1.3 pfennigs per liter--an amount which in the case of Esso, for example, adds up to 30 million deutsche marks a year.

Partners of the multinationals in the Rotterdam oil roulette are half a dozen independent big dealers, like the firms Tampinex, Mabanaf, Transol, Bulk Oil or Vitol, and two dozen medium-size trade enterprises. Together, these handle about 90 percent of all the Rotterdam oil business. Another approximately 70 small dealers and brokers try their hand with the remaining 10 percent.

It is precisely these small ones who in the past few weeks have been chasing every ton of gasoline or fuel oil in order to peddle it at a profit. Even small quantities being offered or wanted make the price pendulum move. When a dealer 3 weeks ago in Rotterdam sought 2,000 tons of gas for a gasoline tanker which was shortly to sail for the United States, the price on the market rose by 90 deutsche marks per ton within a few hours.

Quite often a shipment, bought and sold by telephone or telex, wanders from one broker to another. "It can happen," says Gerhard-Johan Mader of the firm Hamro in Rotterdam, "that one and the same merchandise passes through six stations, coming across our table two or three times." If the price is upped in this way, it is possible--assuming all goes well--for 4 to 8 deutsche marks' profit per ton to remain with each link in the chain.

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In a situation where money can be made so quickly, the attempt is often made to come up with even more by way of tricks. "It can happen that strawmen are sent up to push up the price," says dealer Arie Roza. He sums it up like this: "In our job, there is no such thing as friends; business is too tough for that." While the parties occasionally meet in the Rotterdam Hotel Atlanta or Riche Bar to exchange stories about their business, they try again to get the better of one another as soon as they get back to the telephone and telex.

In the speculation with the hot oil merchandise, great investments and risks are involved. Roza: "With a Rhine tanker full of gas, you can make a quick 12,000 deutsche marks, but you can also lose 20,000 marks or more." Indeed many dealers have not survived the Rotterdam roulette in the past few years.

At present, however, a gold bonanza atmosphere prevails at the mouth of the Rhine. "Never before has it been possible to make such good deals in Rotterdam," Gerhard-Johan Meder admits. With his partner, Wim Stolk, Meder belongs to a small circle of brokers who need no more than a room with a telephone and telex for their oil business.

As late as 3 months ago both were still employees of the Olie Chemie company. When the firm went bankrupt, they established their own business. Their office is on the second floor at Kipstraat 37. There they work with five telephones, type teletype messages, make their own coffee and turn over between 3,000 and 10,000 tons of fuel oil and gasoline a month.

They do not reveal how much they make in the process. But they do admit that even small dealers at present can reap "top profits."

Jan and Wim Onderdyk, owners of the firm Transol and residing in a fancy bungalow on the Slikkerveer Dike are less reluctant to talk about profits. Employing 220 people, they turned over about 2 billion deutsche marks last year. At the end of May, for instance, the brothers made about 1.1 million deutsche marks buying 100,000 tons of diesel fuel on a Monday and selling it on Tuesday. With such trade margins, the Onderdyks can well afford to charter a jet and fly together with their employees to Morocco for a weekend.

The biggest profit so far has been made by speculators who bought several thousand tons cheaply before the crisis in Iran and stored them--for example, Adriaan van Dijke. A former bank director, he had reached the conclusion 3 years ago that the oil business "can be very interesting and lucrative." He started with small "spot" amounts, bought on credit. Now the very portly gentleman is playing a big role on the market in Rotterdam. Every month he buys from two sheikhs, whom he knows personally, a couple of big tankers of crude at prices "a few dollars above the fixed OPEC price." In the process, he benefits from his contacts from his bank times. "Without contacts, you are nobody in Arabia," he says.

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The former banker passes his merchandise partly to crude oil companies and partly to refineries independent of combines. In turn, free refineries in the Netherlands, Italy, Spain and the Caribbean are the places where free fuel dealers have been buying their gasoline, diesel and fuel oil since the time when they could no longer get surplus supplies from the crude oil concerns.

Adriaan van Dijke does not always right away get rid of a shipment he has bought. He says: "You have to have patience. "If I have to, I can wait 40 days." Last November, when he purchased a Soviet tanker's load of gasoline in Lisbon, he waited even longer. For 6 months, the 50,000 tons of gas lay in storage tanks, which are rented to the highest bidder in Rotterdam mainly by the firms of Paktank and Nieuwe Matex. Then, when prices stopped climbing at the end of May, Dijke decided: "Let's get rid of the stuff." His business tactics paid off. In the winter he had paid 230 dollars a ton; now he was able to cash in 395 dollars a ton. The easy profit after deducting storage costs: 12 million deutsche marks.

How much in all does he make in the oil business? Adriaan van Dijke, who conducts his affairs inconspicuously in a narrow merchant's house in the coastal town of Middleburg southwest of Rotterdam, leans back slowly in his comfortable red leather chair and says: "Another couple of years, and I will have had enough."

The involved wheeling and dealing at the market in Rotterdam has given the brokers a reputation of "robber barons." They themselves rather consider themselves regulators who see to it that there is an equilibrium on the oil market. In the past they were even considered to be instrumental in holding prices down, because in the years of the oil glut they had to calculate with extremely narrow margins and underbid the prices of the combines.

The efforts of some EEC countries, particularly the French, to regulate the Rotterdam market through international controls and put the dealers on a leash are not instilling fear in the business. "In that case," says Arie Roza, "we will get a black market for the black gold."

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